

Jewel Tea Co.

1935

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CORPORATION FILE

A MILLION-HOME

Business



THE PROGRESS OF JEWEL TEA CO., INC.
OVER A PERIOD OF 36 YEARS . . .

B1B



THIS BUILDING, ERECTED IN THE
YEAR 1930 AS THE PERMANENT
BUSINESS HOME OF THIS COMPANY,
SYMBOLIZES THE VISION OF ITS
FOUNDERS, THE ASPIRATIONS OF
THOSE WHO ARE LOYALLY SERVING
IT TODAY, AND THEIR FAITH IN ITS
FUTURE GROWTH AND USEFULNESS.

IT IS DEDICATED TO THE HOMES
AND THE HOMEMAKERS OF AMERICA,
WHO HAVE MADE THIS BUSINESS
POSSIBLE, AND WHOSE NEEDS AND
DESires IT AIMS ALWAYS TO SERVE
WITH ECONOMY AND IN A SPIRIT
OF TRUE SINCERITY.

JEWEL TEA CO., INC.

JOHN M. HANCOCK - MAURICE H. KARKER
CHAIRMAN PRESIDENT



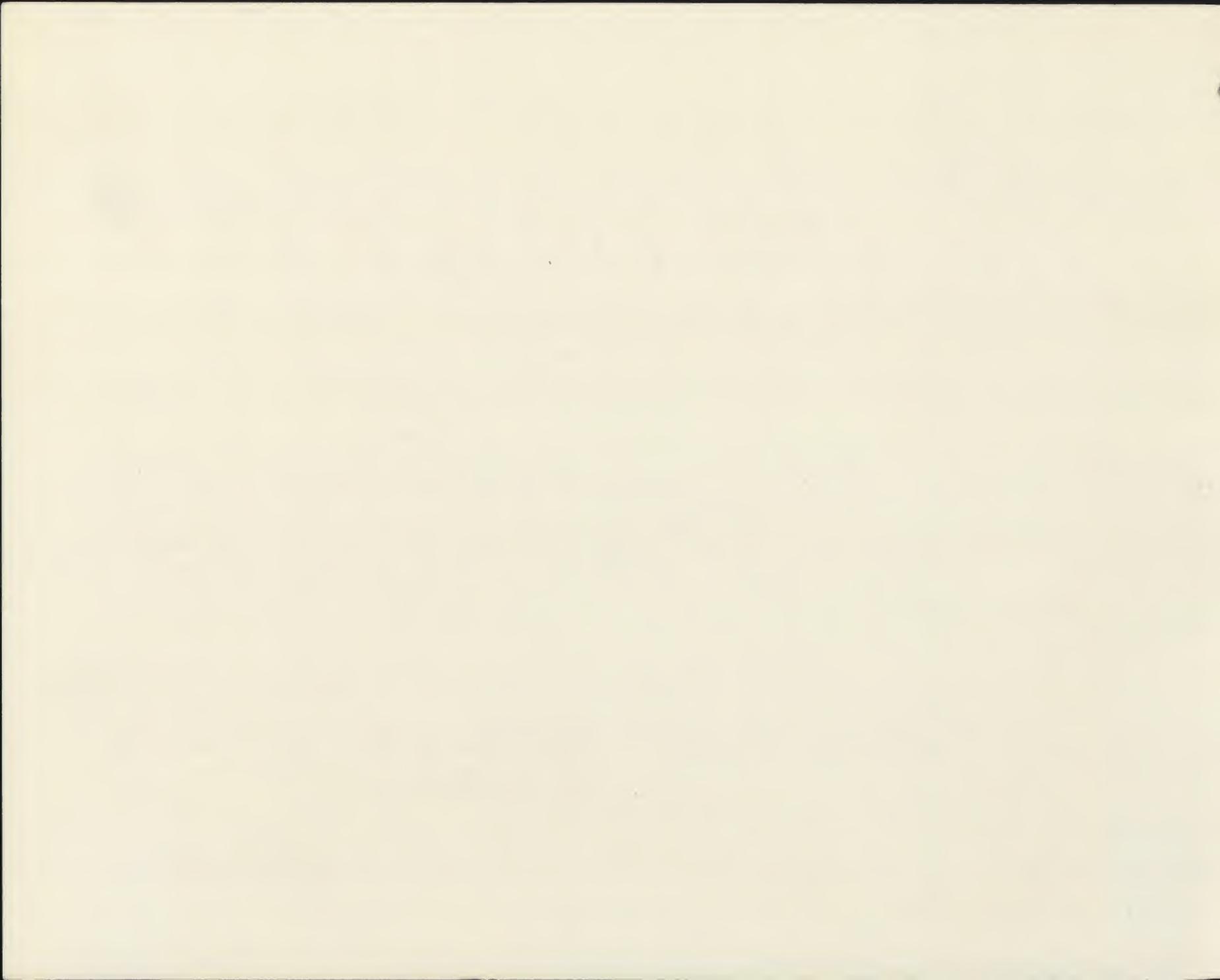


million-home Business

The premium method of merchandising
will live as long as trade because it
moves with the tides of the human heart.

— Elbert Hubbard

JEWEL TEA CO., INC.
JEWEL PARK, BARRINGTON, ILL.





The President's Office

President's MESSAGE

● The story of Jewel over the years is a tribute to the loyalty of customers, stockholders and men. In over a million homes located in 42 states the call of the Jewel Man is a pleasant experience. The continued patronage of homemakers is responsible for the growth of this business and the customer is Jewel's first consideration. The stockholders, as owners of this Million-Home Business, supply the inventories, automobiles, machinery and other assets which represent the investment of their money. Their faith and support has made Jewel weather trials which might have been fatal and in return for their loyalty their company has paid 28 consecutive quarterly common dividends to its stockholders.

Jewel men and women invest their time, abilities, and energy in the Jewel job and that job is the source of security, comfort, and happiness for ourselves and our families. It is a source of pride and satisfaction to know that even when many businesses were retrenching and laying off people Jewel continued to add employees. For every 100 people on the payroll at the height of prosperity in 1929, Jewel in 1934 had 144 full time employees. Every man and woman who works for Jewel works at a living wage and under the best conditions of employment and protection which the company can furnish. Curiously enough the numbers of employees and stockholders are about the same, and some 300 act in both capacities.

This booklet will serve to review the progress, growth and development of Jewel from its inception in 1899 to its present position in 1935.



THE STORY OF

● Between the hours of eight in the morning and five in the afternoon, six days a week, somewhere between California and Chesapeake Bay and between Texas and Canada, 1462 brown Jewel Cars are stopping in front of American homes bringing the markets of the world direct to the homemaker. In Chicago-land thousands of women are enjoying the unusual features of 87 self-service Jewel Food Stores. In each type of distribution, friendly, courteous and happy people are serving Mrs. Homemaker with high quality coffees and other food products.

If you were to ride in the Jewel Car with the route manager or get behind the counter with the store clerk you would unconsciously absorb part of the enthusiasm which Jewel people feel toward their part in this great work of modern food distribution. You would sense that working for Jewel "does something to you"; that it lifts one above the work-a-day world into a realm where a "job" becomes an opportunity to be of real service to other people. Collectively and individually Jewel people have this genuine feeling of service toward the more than a million homes which depend upon Jewel for quality coffee and other foods. In this fact probably more than in any other you will find the reason for the successful growth of Jewel Tea Co., Inc.

In more than 6,000 communities the sight of the Jewel Car is a sign of quality coffees and smart shopping. The premium method of merchandising is popular with homemakers. The Jewel Man, going about his work, finds satisfaction, happi-



ness, and security in working for Jewel. He knows that the basis for Jewel wagon route distribution is sound in principle and profitable in operation because the statement of Elbert Hubbard: "The premium method of merchandising will live as long as trade because it moves with the tides of the human heart" included Mrs. Average Homemaker.

Jewel is a thirty-six-year-old institution. It is old enough to be respected and well-established; at the same time it remains young in spirit, progressive in methods and in tune with the modern tempo of trends, styles and demands. Probably in no other industry does the ability to please Mrs. Homemaker offer such a challenging opportunity for service. Every Jewel knows that he must satisfy the customer to be successful himself and this knowledge has guided the growth and development of Jewel Tea Co., Inc.

JEWEL

● The story of Jewel, from its "man with an idea, \$700, and a horse and wagon" stage in 1899 to the present time is the story of the growth and development of a food distribution idea. There is no place in that span of thirty-six years when the company has departed from the basic idea that the average American housewife is honest, and that she will gladly pay a reasonable price for full value. Inherent honesty of the housewife was all-important in 1899 as it is now, for Frank V. Skiff and Frank P. Ross were making a radical departure when they conceived the idea of **advancing the premium** to Mrs. Homemaker with her first delivery of coffee, tea, or other groceries.

At that time there were many merchants who traveled from door to door selling spices, teas, extracts and coffees. After the customer had purchased a sufficient quantity of merchandise, she was given a platter, a skillet, a coffee pot or some other household article in return for coupons she had saved. But Jewel was unique; it trusted the customer by bringing her the premium **in advance**, and her future purchases paid for it **as she was using it**. Mrs. Homemaker liked this new idea and the wisdom of the founders is confirmed by the growth of the company from a \$700 business to one with assets of over eight and

three-quarters millions of dollars. From the first horse and wagon in Chicago, Jewel has grown until today a fleet of over 1,500 motor cars, serves a million customers who live in 6,000 communities from sunny Florida to the windswept plains of the Dakotas and from the Atlantic to the Pacific.

CHARACTER OF THE BUSINESS

Thirty-six years is not a very long time as historians record the events which shape the destinies of nations. But thirty-six years of successful and continuing growth of a human institution engaged in the manufacture and distribution of quality groceries is a long enough period of time to attest to its stability, its character, its ability to satisfy, and its worth to those it serves.

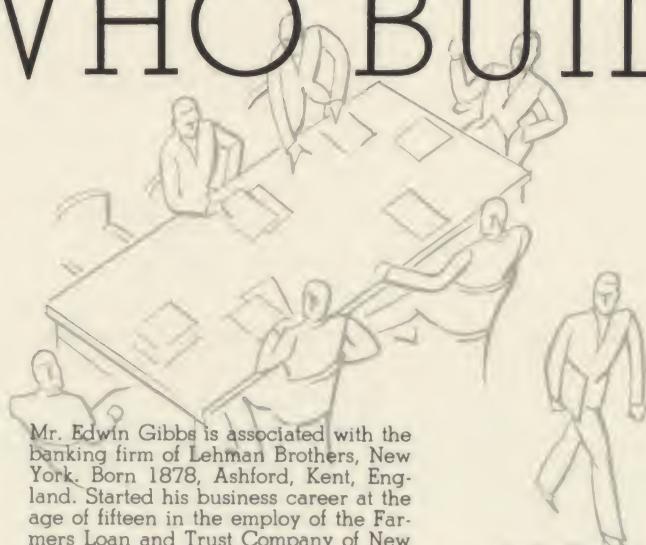
In forty-two states and the District of Columbia the Jewel Route Manager is a familiar figure. He calls once every two weeks to deliver coffee and other groceries which have been ordered two weeks before. He will be back in this same home two weeks from now with the order received today and he will arrive on the same day of the week and at about the same hour as he did today. The progressive growth of this method of merchandising owes much of its success to the premium, for **it** is the distinctive feature of the Jewel Way of Shopping.

Jewel does a cash business, and all grocery sales are payable at the time of the delivery of the goods. Exception is



MEN WHO BUILT JEWEL

Mr. Arthur Lehman is a partner in the banking firm of Lehman Brothers, New York. Born 1873, New York City. Graduated Harvard, 1894. Member, New York Cotton Exchange; New York Produce Exchange; New York Coffee and Sugar Exchange. Director of the following corporations: Continental Can Co., Inc.; General American Investors Co., Inc.; Southern States Land and Timber Co.; General Development Company; Underwood Elliott Fisher Co.; Pennsylvania-Dixie Cement Corporation; Bing & Bing, Inc.; Amalgamated Leather Companies, Inc.; American International Corporation; Associated Rayon Corporation; Radio-Keith-Orpheum Corporation; Abraham & Straus; Commercial Investment Trust Co.; Federated Department Stores, Inc.; The Lehman Corporation (President and Director); The Studebaker Corporation; JEWEL TEA CO., INC.



Mr. Edwin Gibbs is associated with the banking firm of Lehman Brothers, New York. Born 1878, Ashford, Kent, England. Started his business career at the age of fifteen in the employ of the Farmers Loan and Trust Company of New York. In 1918, at which time he was senior assistant secretary in the Trust Department, he resigned to take up the work of organizing a trust department for the Chemical National Bank of New York, of which institution he was made trust officer. Mr. Gibbs resigned this office in 1921 to become associated with the firm of Lehman Brothers. Director of: The Lehman Corporation, New York and Foreign Investing Corporation, JEWEL TEA CO., INC.

M. H. Karker, president of JEWEL TEA CO., Inc. has been active in the progressive growth of the company since he came to it from the navy in 1923. Mr. Karker was born in Schoharie county, New York in 1886, received his early education in the vicinity of his birthplace, and enlisted in the navy shortly after graduation from high school. He continued his education and his study of business, as well as naval matters, after his enlistment, and earned his commission before he was 21. During the first year of the war he was on duty at the navy supply depot in New York and after June, 1918, at the navy supply base at Brest, France. On his return to the United States he was made officer in charge of the Provisions and Clothing Depot at New York. He received a letter of commendation from the Secretary of the Navy and had three citations, one for the Legion of Honor and two for the Distinguished Service Medal.

In 1922, Mr. Karker left the navy and a short time later joined the executive staff of JEWEL TEA CO., Inc. He was elected a member of the Board of Directors on Feb. 13, 1923 and was made vice president in charge of administration on March 20, 1923. When Mr. Hancock resigned to join Lehman Brothers on July 1, 1924, Mr. Karker was elected president. He has held this position since that time. His untiring energies, intense loyalty, and sympathetic leadership have made him a sincere friend to every JEWEL.



Directors, Officers



The Chairman of the Board of Directors of Jewel Tea Co., Inc., John M. Hancock, is an active partner in the banking firm of Lehman Brothers, New York.

He represents the National Retail Tea and Coffee Merchants' Association, of which this company is a member, on the Associated Coffee Industries of America. He is a director in the following

firms: Sears, Roebuck & Co.; Cluett, Peabody & Co., Inc.; Kroger Grocery and Baking Co.; International Silver Co.; American Stores Co.; W. T. Grant Co.

General American Investors Co., Inc.; Van Raalte Company. Mr. Hancock was born in Emerado, North Dakota, in 1883. He graduated from the University of North Dakota in 1903, and the next year entered the navy as an assistant paymaster with the rank of ensign. When the United States entered war Mr. Hancock was officer in charge of the purchase division, Bureau of Supplies and Accounts, Navy Department. He was also a member of the Federal Price Fixing Committee and of the Requirements Division of the War Industries Board. He was awarded the Navy Cross for war services.

Shortly after leaving the navy Mr. Hancock became connected with Jewel Tea Co., Inc. He was elected vice president and treasurer in November, 1919, and president in April, 1922. Two years later, in July, 1924, he resigned to join Lehman Brothers, and became chairman of the Jewel Board of Directors.

Mr. Henry S. Bowers is a partner in the banking firm of Goldman, Sachs & Co., New York. Born 1878, Arlington Heights, Mass. Graduated Harvard, 1900. New York office, Goldman, Sachs & Co., 1900 to 1907. Chicago office same firm 1907 to 1915. Admitted to firm 1915, and transferred back to New York office. Director of the following corporations: Pillsbury Flour Mills, Inc.; N. & L. Realty Co.; Munsingwear, Inc.; S. H. Kress & Co.; Kelsey-Hayes Wheel Company; Endicott Johnson Corporation; Archer-Daniels-Midland Co.; Minneapolis-Moline Power Implement Company; The Cream of Wheat Corporation; Truax-Traer Coal Company; United Biscuit Company of America; JEWEL TEA CO., INC.



C. W. Kaylor, vice president, Sales, began his service with Jewel in 1922 as a route manager, and was an assistant manager, branch manager, chief of personnel division, western sales manager, assistant general sales manager and general sales manager, successively. He was made a member of the Board of Directors on April 10, 1933 and elected vice president on March 13, 1934.



F. M. Kasch, vice president, Food Stores, entered the service of the company in 1916. He held successive positions as charge of auditors, charge of voucher records, disbursements, billing, payroll and expense sections, statistical department, assistant treasurer and treasurer of the company. He was elected a member of the Board of Directors, April 8, 1928 and elected vice president of the company on January 13, 1934.



DIRECTORS.. OFFICERS



Mr. Walter E. Sachs was born in New York City in 1884. Graduated from Harvard College in 1904.

Studied Law at the Harvard Law School 1904-1905. Studied foreign banking methods in London, Paris and Berlin 1906-1907. Partner in Goldman, Sachs & Co. since 1910. Director of: The May Department Stores Co.; Brown Shoe Co., Inc.; Kaufmann Department Stores, Inc.; Merck & Co., Inc.; Lehn & Fink Products Co.; Barker Bros., Inc.; JEWEL TEA CO., INC.

W. D. Smith
Vice President
Public Relations



Mr. Robert R. Updegraff is a business counselor, serving several of America's largest corporations in an advisory capacity. Born 1889, Salt Lake City, Utah. Author of numerous books dealing with business and related fields, and frequent contributor to the periodical press. Edited **The Magazine of Business**, Chicago, 1928-29. Contributing Editor, **Advertising & Selling Magazine**, New York. Director of: Scarsdale National Bank and Trust Company; JEWEL TEA CO., INC.



J. M. O'Connor
Assistant to the Chairman
Board of Directors



Robert Hilton
Vice President
Administration



The Twenty-Five-Year Club ..

Among the men who have built Jewel are the members of the Twenty-Five-Year Club, an organization of those who have been with the company a quarter of a century or more. The first meeting of the club was held December 5, 1928, when Frank Talbot and Charles Smith were awarded gold watches suitably engraved in recognition of their service records. Meetings are held every other year, and in 1934 seven new members were taken into the club.

Increasing membership in this club is significant of the harmony between men and management. Long records of service are characteristic of the personnel in all phases of the business, from advance salesmen and route managers to officers of the company.

Jewel takes pride in its role as developer of men of accomplishment and character, and members of the club take pride in their part in the forwarding of the interests of the company. The Twenty-Five-Year Club stands as a symbol of loyalty.

Robert W. Muir
Secretary
General Counsel

J. M. Friedlander
Treasurer

A. U. Hunt
Controller

F. J. Lunding
Assistant Secretary

V. T. Norton
Assistant to the President



Back row—Otto Kord, Charles McDaniel, C. O. Johnson, W. D. Smith, E. R. Burns, C. C. Hiatt, and Howard Hight. Front row—Bruce Heltman, A. J. Hedley, Frank Talbot, Charles Smith, and J. P. Lamb.



THE STORY OF JEWEL

FROM PAGE 5

made for good customers, who have a long trading record with the company, to allow for one delivery's credit accommodation when necessary.

With her first delivery of Jewel Coffees and other groceries, Mrs. Homemaker also receives a quality household article of her own selection. She pays for it as she uses it, for with each purchase of groceries she receives a credit to be applied toward the price of the article she selected. The amount of the credit varies according to the product. The premiums from which she makes her choice are all carefully selected, high quality household articles of tested and proved value. They are of good taste, attractive, and things Mrs. Homemaker wants and needs. All of them are manufactured by reputable concerns and many of them are made to Jewel's own specifications. Representative of Jewel Premiums are Hammercraft Aluminum ware, manufactured by the Club Aluminum Co., the Coffee Service Set of Hall China, the Waterless Cooker supplied by the West Bend Aluminum Co., the Manning-Bowman Waffle Iron, the imported Floral China of Dresden design, Plated Silver from International Silver Co., Glasbake Ovenware, and W. S. George Domestic China. Jewel Premiums are obtained from manufacturers who are outstanding in their particular field.

There are 58 products in the regular grocery line sold on the routes, 32 of which are manufactured in the Barrington

plant. All Jewel Products are of the highest quality obtainable, and Jewel Coffees are selected, roasted, blended to a uniformly high taste-standard which never varies. The quality of merchandise sold by Jewel is rigidly maintained; all merchandise is purchased, manufactured and packaged with the utmost care. Articles not manufactured by the company are carefully inspected to see that they are in every way up to Jewel specifications.

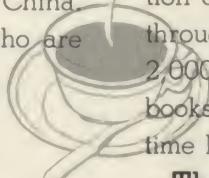
SALES AIDS

Numerous sales aids are provided to stimulate sales and increase the number of customers trading with Jewel. At no time in the company's history has Jewel had a more attractive premium line and merchandising with premiums continues to prove effective. Contests and campaigns are staged at intervals throughout each year to increase interest in selling larger volume and more customers.

Every effort is made by Jewel to encourage the promotion of employees within the company, and a constant program of indoctrination and self-improvement is in force. Education of Jewel people is encouraged through a library containing over 2,000 volumes, including business books, training courses, and a full time librarian is in charge.

The Jewel News, an eight page rotogravure publication, is printed every four weeks and distributed to

Library Scene

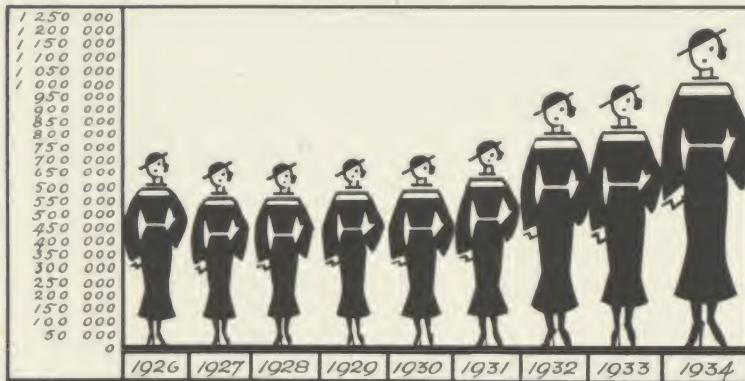


all customers. It features current merchandise of groceries and premiums, and carries such items of interest as recipes prepared by the Homemakers' Institute, idea exchanges of customers, and pictures of customers, their children and places of interest throughout Jewel territory. Attempt is made to combine sales and home improvement news in the publication, thus interesting the customers, earning their good will and selling merchandise at the same time.

A bi-weekly newspaper, **The Jewel**, is printed and distributed to all employees to maintain a unified thought and action on the part of all Jewel men and women. This publication keeps the personnel informed of news of the organization, sales contests, promotional plans, and sales programs.

• • •

A Million Loyal Homemakers.
Increasing Number of Customers Shows
Growth of Jewel



Mrs. Shepherd's LETTER

January 7, 1930

Flint, Mich.



Dear Mr. Karker:

After reading your January issue of **The Jewel News**, in which you asked for letters from customers, I want to say that I have traded with your company for nearly thirty years and have been perfectly satisfied with your products and am very pleased to say also that all of the boys who delivered to me were as good as they could be.

I started to trade with you when I lived in Missouri, then I moved to Kansas, from there to Illinois, then Iowa, then to Michigan, and all the time I traded with the Jewel, and I will continue to trade with you as long as I live, although I can't promise how long that will be, for I will be eighty-one my next birthday.

In closing I wish to thank the Jewel Company for their fine products and reliable representatives.

Yours very truly,

Mrs. H. M. Shepherd
969 Vosburg Street

The above letter is typical of the thousands of letters received by the company from satisfied customers. Mrs. Shepherd traded with Jewel for over thirty years, and expressed in this letter the sentiment of the many customers enrolled in the "Jewel Quarter Century Club," qualification for which includes twenty-five years as a Jewel Customer.



The employees of the company, on the average, will be given an opportunity to live in an attractive residential community; to own, at reasonable cost, attractive homes on individual plots of ground, to have the benefits of living and working and raising families in an environment of peace, quietude, pure air, sunshine; where they can have a part in building and guiding their community, as well as a pride in it; to live more normal, regular, wholesome, active lives, increasing mental and physical well-being of themselves and their families.

From "The Story of Jewel's Move to Barrington"—1929

Jewel Park, Barrington, Illinois, became the home of Jewel Tea Co., Inc., in April, 1930. Built in the country, clean air and sunshine furnish ideal conditions for the manufacture of food products. The setting of the home office and plant is beautifully landscaped and the grounds are one of the beauty spots of northern Illinois. Thousands of motorists, visitors, and tourists annually see the building and grounds as they go along the Northwest Highway; many stop to inspect the plant and to spend a pleasant hour seeing the cleanliness, the care and the quality of workmanship which are the pride of every Jewel and a revelation to every visitor.

The garden and yard of an employee-owned home in Jewel Park won the Barrington award for the most beautiful flower garden and best kept lawn in 1932. And, the 1933 first place award for the most effectively decorated home at the Christmas season went to a Jewel Park home.



Jewel chose Barrington as its permanent business home after careful investigation of many cities in northern Illinois. This village was chosen for its transportation facilities, its proximity to Chicago, and the ideal atmosphere it offered for the manufacture of foods and homes for its people.

In this setting, Jewel found operating expenses could be reduced and that employees of the company could fulfill the ideals for their welfare which the company had in mind when it purchased the Barrington site in December, 1928, after a three year investigation and study of the problem of relocation.

Jewel people lead fuller lives, freed of the difficulties of commuting to the loop of Chicago. They have all the advantages which country life affords. Tennis courts, a baseball field, handball courts, bowling alleys, a putting green and other recreational facilities are provided for the convenience and use of all Jewel people.

Jewel Park contains approximately 300 acres of land, a portion of which is used for homes. A plan has been provided whereby the company offers Jewel employees the opportunity to own their own homes. This residential section was carefully planned, streets being laid out to give the maximum beauty. Shrubs and trees were planted in abundance, and the landscaping is continually being improved. Jewel employees were given first choice of the property, but others are also permitted to build in the park. Plans for houses are submitted to a committee of Jewel people and capable architects, to insure the beauty of the park and to preserve the value of the homes already built.

PACKAGE DEVELOPMENT

● THE PACKAGE LINE was completely revamped in 1933 to help the salesmen sell more. The "family of packages" became more uniform in appearance and more pleasing to the eye. All packages have quality, added sales appeal and, in some cases, even appetite appeal. One of the best known men in the package designing field was engaged to revise the line, and the exterior of all packages used on the route business was devoted to featuring those elements which affect the housewife



WINNING PACKAGE



NEW STYLE PACKAGES



OLD STYLE PACKAGES

in the home. Uses of the products and premium display became a part of the new packages. Descriptive phrases were employed to tell the customer just what Jewel Products are the best for their specific purposes. In 1932 Jewel was adjudged winner of the Wolf Award for the design on the bag used in packaging Royal Jewel Coffee, sold in the Food Stores. The Wolf Award is national in scope and is accorded the ten best packages developed during the year in various classes. Royal Jewel won in the bag and envelope class. The Jewel Vanilla bottle and the Jewel Spaghetti package were selected as two of the 100 most outstanding designs developed in 1933, by the judges of the All American Package Competition, from a total of 1,500 entries from 884 companies. The new Jewel line of packages is distinctive and a decided sales aid.

JEWEL PROGRESS AND EXPANSION

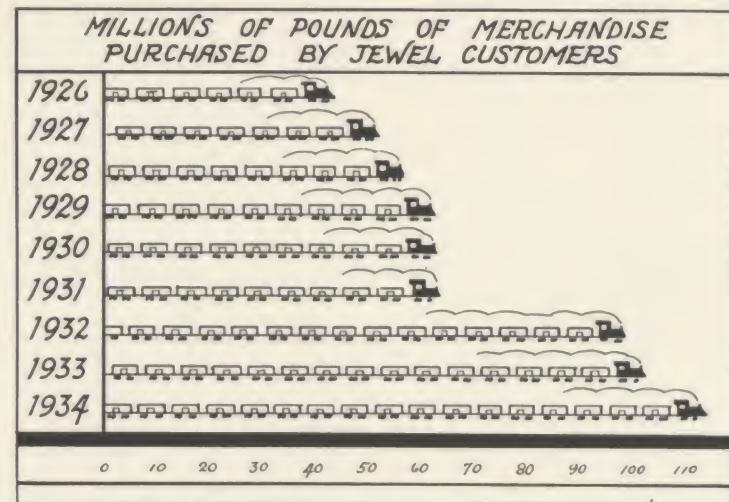
● Operating on the direct-to-the-consumer principle, the first horse and wagon made deliveries of Jewel groceries to Chicago housewives in 1899. In 1901 the first store appeared at 643 E. 43rd St., under the name "Jewel Tea Company-Skiff & Ross, Proprietors." The company grew rapidly and the original \$700 investment multiplied many times. In 1903 the company was incorporated with a capitalization of \$25,000. In 1916 the company was incorporated under the laws of the State of New York, and its stock was listed on the New York Stock Exchange, with a capitalization of \$16,000,000—40,000 shares of \$100 par value 7% cumulative preferred stock and 120,000 shares of \$100 par value common stock.

A period of rapid expansion followed. Territories were hurriedly extended until the number of operating units had grown to 1,645. Coffee roasting and distributing plants were opened in San Francisco and New Orleans, and the largest and most complete coffee roasting plant in the world was built for the company in Hoboken. The expansion program proved costly for, as the United States entered the World War, Jewel also was precipitated into difficulties. Many Jewel salesmen joined the army. The serving of customers became difficult and the main plant of the company was commandeered by the War Department. Increased costs, lowered efficiency, and unseasoned personnel contributed to a greatly reduced profit in 1918. The large stocks of goods in the branches and plants, purchased in anticipation of expansion programs, added to the distress of the situation which confronted the company in 1919 and 1920. On May 1, 1919 the current indebtedness of the company was funded through the issue of gold notes amounting to \$3,500,000.

A retrenchment program followed, inventories were liquidated, unprofitable branches and the New Orleans and San Francisco plants were closed. Many routes were also liquidated and by 1921 but slightly over 1,000 routes were left. Jewel rapidly recovered in the years between 1921 and 1925. A rigid program of economy and close supervision was adopted; inventories were reduced and controlled, operating costs were lowered, and the company began an intensified training of its selling force. By the strict control

of expenses the whole organization became imbued with the spirit and habit of economy. Pennies came into their own as rulers of profit and Jewel began to earn the reputation as an expense-minded organization.

As a result of increased efficiency by men and management, preferred dividends were resumed in 1925 and payment was made on the accrued dividends, then in arrears to the extent of \$36.75. All funded debt was paid on the dates due, and accrued dividends were entirely paid by 1927, in which year the company made a net profit of \$1,361,391. In 1929 the remaining 25,600 shares of preferred stock were retired at \$125 a share, on funds obtained from the sale of 40,000 shares of additional common stock to stockholders at \$100 per share. The number of shares of common stock outstanding was increased to 280,000 through the declaration of a stock dividend of 75% and a regular dividend rate of \$3.00 annually was established by the middle of 1929. The almost phenomenal recovery of Jewel from the "sick-bed" of 1919 to 1920 to a strong and profitable organization is a chapter in industrial history which is at once a tribute to stockholders, management, men and methods.



HOMEMAKERS' INSTITUTE

● **The Jewel Homemakers' Institute**, staffed with home economics experts, gives demonstrations and Mary Dunbar Cooking Schools from time to time in towns in which Jewel operates. At these demonstrations the women attending receive interesting and practical ideas about cooking, and at the same time are told the advantages of the Jewel Way of Shopping. The director of the Homemakers' Institute and her assistants secure many new customers through this method of acquainting the public with Jewel. The Homemakers' Institute is valuable also because of its essential role as guardian of Jewel quality. Every grocery and household article is tested in the Homemakers' Institute for purity, durability and practicability before it is presented to customers for sale.

For many years the company has maintained Jewel quality and it sees that only the best materials and workmanship go into Jewel Products. The Chemical Laboratory and the Jewel Homemakers' Institute are staffed with chemists and home economists—experts in their field. Every product sold by Jewel must first receive the endorsement of these specialists. The Mary Dunbar stamp of approval is respected by Jewel Customers, and to earn it a product must pass exacting tests and qualify in every detail as high quality merchandise.

More than a million women follow the articles on household problems written regularly by Mary Dunbar, who is equipped both in training and experience to bring something of real value to homemakers. She has a Bachelor of Science degree, has taught in high school and college, and was formerly baking specialist with the United States Department of Agriculture.



● She has able assistants, one of whom is a graduate of Simmons College, Boston and another a graduate of Stout Institute, Menomonie, Wisc.

Thousands of customers write Mary Dunbar each year for advice and consultation on homemaking problems, and a friendly association has been built up between her and Jewel Customers throughout the United States. An "Idea Exchange" is published periodically in **The Jewel News**, consisting of short cuts and suggestions on household problems, which have been sent in by customers.



THE MOST COMPLETE COFFEE SERVICE IN AMERICA

● Serving a good cup of coffee is the best reputation a homemaker can have, and helping customers to achieve this distinction has resulted in coffee becoming 50% of the sales of the company. Rules for a good cup of coffee call first for a good blend and Jewel is equipped and does furnish the best coffee in the freshest possible condition, and delivers it direct to the kitchen. There are three blends, one to suit every taste.

To further insure the uniformity of the cup of coffee served by homemakers throughout America, months of experimental work were devoted to perfecting the Modern Coffee Dripper, which is the simplest possible means of obtaining a perfect cup of coffee every meal. For those who prefer percolated coffee, there is the percolator perfected by Jewel. Three serving units have been developed by Jewel, the Hammer-craft, drawn aluminum and Hall China, two of which may be had in four or nine cup sizes.

A coffee grinder for those who like to grind their own



coffee, and a cream maker for those who like cream in their coffee are also supplied.

Completing Jewel's coffee service are the three sets of dishes providing three different cups. A tray, creamer and sugar bowl are part of the Hall China service set, and teaspoons may be had of International plated ware.

Thus Jewel has the Most Complete Coffee Service in America, supplying its customers with coffee of the highest quality, delivered fresh to their homes and all the equipment necessary in the making and serving of a cup of perfect, uniform coffee, day after day.



A view of the Jewel modern laboratory where skilled attendants safeguard Jewel's customers against inferior products. Every Jewel food item is scientifically tested and exceeds the requirements of all pure food laws. As guardian of the health and welfare of its customers, the Jewel Laboratory tests each and every item before it is accepted as one of Jewel's products.



MILESTONES IN JEWEL HISTORY

1899—Frank Vernon Skiff founded the business with \$700 capital.

1901—Skiff and Ross, proprietors of the Jewel Tea Company, rented their first store at 643 E. 43rd St., Chicago, and initiated the practice of advancing the premium with the first delivery of goods, and delivering every two weeks.

1903—First inventory made. Company incorporated with capitalization of \$25,000.

1904—With 12 routes in Chicago, company began to open outside territory.

1905—Leased three story building at May and Randolph Sts., Chicago, for packaging and distributing base.

1906—Capitalization increased to \$100,000. Machinery installed in plant and manufacturing begun with baking powder as first product.

1908—The largest single lot of coffee ever brought into the country up to that time was imported by Jewel—1,600,000 lbs., requiring a train of 42 cars to carry it.

1909—The first manufacturing plant was built with complete coffee roasting equipment and machinery for the manufacturing and packaging of other Jewel Products, at Ada and Washington Sts., Chicago.

1910—Year's sales reach the million mark for the first time. Capitalization increased to \$500,000. Program of expansion launched.

1916—With a capitalization of \$16,000,000 the present company was incorporated. Both common and 7% preferred stock were listed on the New York Stock Exchange. Service extended to New England states and West Coast.

1917—Completion of the Hoboken, N. J. manufacturing plant, the finest and largest roasting plant in the country.

1918—Hoboken plant commandeered by the government.

1919—Company funds indebtedness through issuance of \$3,500,000 in gold notes. Expenses of operation exceeded income and dividends on preferred stock were passed.

1920—\$1,000,000 of gold notes paid off. Liquidation of unprofitable branches.

1921—The retrenchment program continued and the financial position improved.

1922—Paying off the last of the gold notes, the company was out of debt.

1923—Many improvements in customer service included the establishment of the chemical laboratory, the appearance of a customer publication, *The Jewel News*, and the initiation of the triple seal package for Jewel Coffee.

1924—Home Service Division was established. A budget system for control of branch expense was inaugurated, and the company's capital deficit was wiped out.

1925—Accrued dividends amounting to \$36.75 were reduced \$7.00 per share, and dividends were resumed.

1926—Motorization of the routes was completed, and in December the sales per week per wagon reached \$300 for the first time.

1927—Preferred dividends in arrears were paid in full.

1928—All preferred stock was called for redemption. First dividends paid on common stock, at the annual rate of \$4.00. Extra dividend of \$1 per share was paid in December.

1929—Capital stock structure was further simplified. An annual dividend rate of \$3.00 per share was established on the 280,000 shares of common stock outstanding. Extra dividends of \$1 per share were paid June 15 and December 15.

1930—Jewel Park, Barrington, Illinois, became the headquarters of the company and the home of Jewel Quality.

1931—First full year of operations in Barrington plant and headquarters office showed savings in production and distribution. Research department organized. An extra dividend of 50c per share was paid December 15.

1932—Jewel entered chain store field by purchasing 81 food stores in Chicago area.

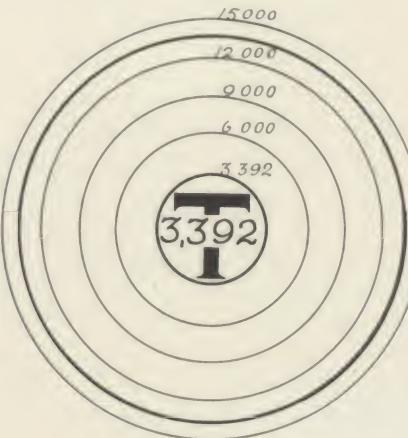
1933—Two new branches, Pasadena and Long Beach opened. Package line redesigned. Banks closed, and Jewel operated without interruption of service.

1934—Bonds between management and men further strengthened with adoption of Employee Representation Plan by 99% of the employees. "Wage Extra" paid to all employees, except executives. An extra dividend of 50c per share was paid to stockholders December 15. Three new branches opened, San Antonio, Houston and Sacramento.

JEWEL AT A GLANCE

Number of branches . . .	82
Number of routes . . .	1462
Number of stores . . .	87
New routes added in 1934	78
New stores added in 1934	3
Number of employees . . .	3392
Manufacturing plants . . .	2
Importing office.	1
Capitalization (shares no-par common stock) .	280,000
Regular annual dividend rate	\$3.00
Earnings per share of present stock, 1934 .	\$4.44

Jewel Payrolls Provide Security for Nearly 15,000 Persons



CONVENTIONS

● It is the practice of Jewel to hold a sales convention each year for the purpose of exchanging ideas, formulating sales plans and solving current problems. Branch managers and district managers, as well as the auditing force, meet at Barrington with officials and executives to discuss sales promotion plans for the following year. The thirteenth annual Branch Managers' Convention was held in 1934, and the first Store Managers' Convention in 1934.

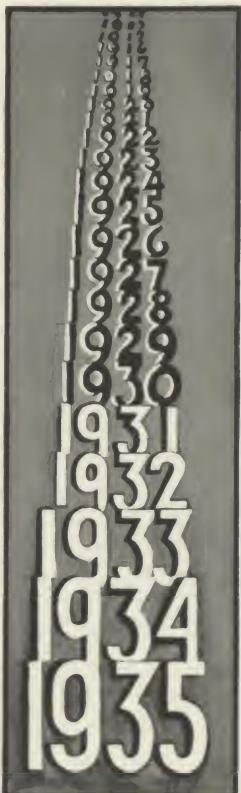
Schools are conducted at various times during the year for the education and promotion of the assistant managers' ranks.



BRANCHES

Branch offices of the Jewel Tea Co., Inc., are located in the following cities, eighty-two in all.

36 Years of Progress

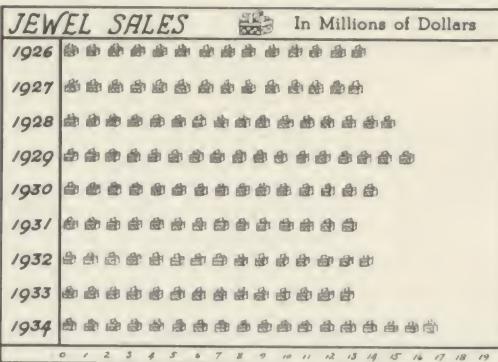
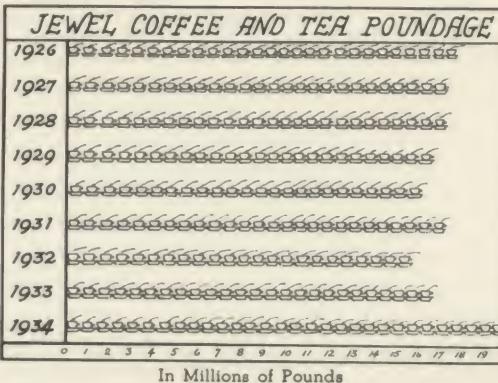


Akron, Ohio
 Altoona, Pa.
 Atlanta, Ga.
 Aurora, Ill.
 Baltimore, Md.
 Binghamton, N. Y.
 Birmingham, Ala.
 Buffalo, N. Y.
 Cairo, Ill.
 Camden, N. J.
 Charlotte, N. C.
 Cleveland, Ohio
 Clinton, Iowa
 Columbus, Ohio
 Dallas, Texas
 Danville, Ill.
 Dayton, Ohio
 Denver, Colo.
 Des Moines, Iowa
 Detroit, Mich.
 Duluth, Minn.
 E. St. Louis, Ill.
 Emeryville, Calif.
 Erie, Pa.
 Escanaba, Mich.
 Evansville, Ind.
 Flint, Mich.
 Ft. Wayne, Ind.

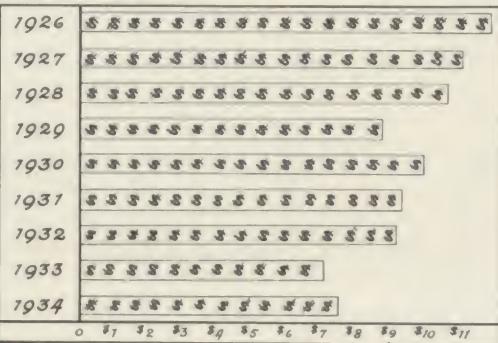
Ft. Worth, Texas
 Grand Rapids, Mich.
 Houston, Texas
 Huntington, W. Va.
 Indianapolis, Ind.
 Jacksonville, Fla.
 Johnstown, Pa.
 Kansas City, Mo.
 Knoxville, Tenn.
 La Crosse, Wisc.
 Laurium, Mich.
 Lincoln, Nebr.
 Long Beach, Calif.
 Los Angeles, Calif.
 Louisville, Ky.
 Madison, Wisconsin.
 Memphis, Tenn.
 Milwaukee, Wisc.
 Minneapolis, Minn.
 Moorhead, Minn.
 Muncie, Indiana
 Nashville, Tenn.
 Oklahoma City, Okla.
 Omaha, Nebr.
 Oshkosh, Wisc.
 Pasadena, Calif.
 Peoria, Ill.

Pittsburg, Kans.
 Pittsburgh, Pa.
 Reading, Pa.
 Richmond, Va.
 Roanoke, Va.
 Rochester, N. Y.
 Rock Island, Ill.
 St. Joseph, Mo.
 St. Louis, Mo.
 Sacramento, Calif.
 Salt Lake City, Utah
 San Antonio, Texas
 Schenectady, N. Y.
 Scranton, Pa.
 Sioux City, Iowa
 South Bend, Ind.
 Springfield, Ill.
 Syracuse, N. Y.
 Terre Haute, Ind.
 Toledo, Ohio
 Topeka, Kansas
 Tulsa, Okla.
 Washington, D. C.
 Waterloo, Iowa
 Wheeling, W. Va.
 Wichita, Kansas
 Youngstown, Ohio

Write or call the nearest Jewel Branch so that you too can enjoy shopping the Jewel Way. A Jewel Man will call at your convenience.



Expense of Distributing Merchandise
 The figures shown include accident expense, auto insurance, as well as all other route delivery car expenses.



JEWEL FOOD STORES



NORTH
Ravenswood
1960 Lawrence
3224 Bryn Mawr

Rogers Park
2319 Devon Avenue
1432 Morse Avenue
2742 Devon Avenue
7638 North Paulina
1125 Granville

Uptown
1131 Argyle Street
1130 Bryn Mawr
5343 North Clark
1549 Devon Avenue
1149 Wilson Avenue

NORTHWEST
Cragin
5920 West Division
7130 Grand Avenue

4104 West North
5643 West North

Humboldt Park
3208 West North

Irving Park
5514 Belmont Avenue
3116 Cicero Avenue
3300 North Crawford
5116 Irving Park
5935 Irving Park
4049 Milwaukee

Jefferson Park
4763 Milwaukee
4413 Lawrence

Logan Square
3837 Fullerton
2614 Milwaukee
North Center
3137 Irving Park

Norwood Park
6674 Northwest Hwy.
6145 Northwest Hwy.

WEST

Austin
6010 West North
5932 West Chicago
5038 West Madison
5904 West Roosevelt

Garfield Park
4311 West Madison
4028 West Roosevelt

Jefferson Park
4763 Milwaukee
4413 Lawrence

Logan Square
3837 Fullerton
2614 Milwaukee
North Center
3137 Irving Park

1152 West 79th Street
Chicago Lawn

2449 West 63rd Street
3048 West 63rd Street

Englewood
6914 South Halsted

Ogden Park
5518 South Ashland
1506 West 63rd Street

SOUTH

Grand Crossing
7524 Cottage Grove
6831 Stony Island

713 East 79th Street
839 East 79th Street

Hyde Park
1219 East 47th Street
1424 East 55th Street
820 West 79th Street

Jackson Park
127 East Garfield

Roseland
11035 S. Michigan
11357 S. Michigan

South Chicago
10538 Ewing
3044 East 92nd

Windsor Park
1943 East 71st Street
2549 East 75th Street

1837 East 79th Street
2508 East 79th Street
2900 East 79th Street

SUBURBS

Aurora
61 Broadway

Berwyn
6818 Windsor
1613 East 55th Street

Chicago Heights
1618 Otto Blvd.

Des Plaines
1475 Ellinwood

Downers Grove
5126 Main Street

Elmhurst
157 York Street

Evanston
711 Main Street

Forest Park
7415 Madison

Glencoe
317 Park Avenue

Glen Ellyn
430 Main Street

Harvey
117 East 154th

Hinsdale
114 S. Washington

La Grange
29 South 5th Avenue

Maywood
13 North 5th Avenue

Melrose Park
116 Broadway

Oak Park
26 Madison
105 South Oak Park
120 Marion
809 South Oak Park

Park Ridge
29 Prospect

Wilmette
1115 Central

Wheaton
109 Front Street

If you live in the vicinity of any of these stores, stop and see how friendly a store can be. You'll enjoy shopping in Jewel Food Stores.

● In 1932 the company entered the retail grocery field in the Chicago area, and is now operating 87 stores. Jewel exercises the same care in operating these stores as in the wagon route business, and a high quality standard is maintained. Throughout Chicagoland thousands of homemakers refer to Jewel Food Stores as the "clean, white stores."

Following their purchase, the stores were studied, changes were made, old stocks were cleared out, each store was painted white and new ideas were introduced into their operation. Over 18,000 homemakers living in the neighborhoods of the stores were interviewed and Jewel Food Stores were re-designed to meet their ideals. Jewel believed that it could profitably adapt many of the tested principles gathered from over thirty years of food experience and the first doctrine was to establish in its stores those features most desired by Mrs. Homemaker. Attractiveness, cleanliness, self-service, rigid standards of quality, specialties and wide variety of selection, correct bills, were some of the most important features which received strict attention. Today Jewel Food Stores are the outstanding grocery stores in Chicago, offering their customers everything to be desired in the grocery line. High quality is characteristic of all Jewel groceries, and no effort is spared to insure this standard. Jewel Coffees are being made an important factor in the stores' business. Stores people are happy and friendly and anxious to make every visit a pleasant experience for Mrs. Homemaker.

CAPITALIZATION HISTORY AND STATISTICS

PRESENT CAPITAL STRUCTURE—280,000 SHARES OF NO-PAR VALUE COMMON STOCK

● At the time the present company was incorporated in 1916, 40,000 shares of \$100 par value 7% cumulative preferred stock, and 120,000 shares of \$100 par value common stock were issued. In each of the years 1917, 1918 and 1919, 1,200 shares of preferred stock were purchased for retirement, and on May 1, 1924 these 3,600 shares were retired and the authorized number of shares of preferred stock of the company reduced to 36,400. The common stock changed in 1925 from \$100 par to no-par with an assigned value of \$1 per share. Six thousand four hundred shares of preferred were retired in 1926, 4,400 in 1927, and on April 1, 1929, the 25,600 shares still outstanding were redeemed at \$125 per share and accrued dividends.

In December, 1928, an increase in common stock from 120,000 to 300,000 shares was authorized. Forty thousand shares of the additional stock were sold to stockholders at \$100 per share on a basis of one share for each three previously held. This increased the outstanding common stock to 160,000 shares on April 1, 1929. On May 13, 1929, a 75% stock dividend was declared, payable June 20, 1929, increasing the stock outstanding to 280,000 shares, the company's present capitalization. The capital structure of the company as it stands today is in the simplest form.

REGULAR DIVIDEND RATE In 1928, twelve years after the company was incorporated, common stockholders received their first dividend on their investment and they have received twenty-eight successive quarterly dividends since that date. The first dividends on common stock were at the annual rate of \$4 per share on the 120,000 shares then outstanding. After payment of the 75% stock dividend in June 1929 a dividend rate of \$3 per share on the 280,000

outstanding shares was established and this is the present rate.

EXTRA DIVIDENDS Since 1928 seven extra cash dividends have been paid. Stockholders received extra dividends of \$1 per share in December, 1928; \$1 in June and \$1 in November, 1929; \$1 in June and \$1 in December, 1930; 50c in December, 1931; and 50c in December, 1934.

TABLE OF
COMPARATIVE SALES AND EARNINGS

YEAR	UNITS IN OPERATION END OF YEAR		EARNINGS		
	STORES	WAGONS	SALES	AMOUNT	*PER SHARE ON COMMON STOCK
1921	—	1,005	\$11,210,388	\$ 321,457	\$1.15
1922	—	994	10,240,810	152,149	.54
1923	—	998	12,554,875	624,200	2.23
1924	—	1,030	13,602,745	855,076	3.05
1925	—	1,059	14,178,478	838,947	3.00
1926	—	1,090	14,568,258	1,258,052	4.49
1927	—	1,096	14,532,336	1,261,391	4.50
1928	—	1,121	15,970,893	1,530,888	5.47
1929	—	1,215	16,844,110	1,691,302	6.04
1930	—	1,280	15,521,791	1,705,293	6.09
1931	—	1,334	13,742,691	1,363,780	4.87
1932	85	1,340	14,662,252	1,053,626	3.76
1933	84	1,385	14,377,593	909,325	3.25
1934	87	1,462	17,217,177	1,243,123	4.44

*Based on 280,000 shares.

WE FACE OUR DIFFICULTIES TOGETHER

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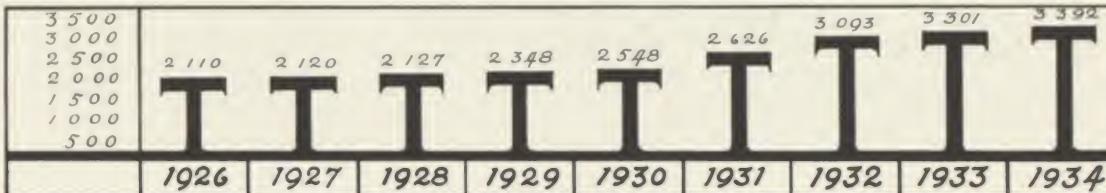
● "Each year we know and understand one another better and the longer we work together the more do we seem to take on the best characteristics of a family," said President Karker in an address to all Jewel people in 1934. "We learn better year by year how to stick together, to face our difficulties together, to fight our battles together, realizing perhaps unconsciously that the greatest good for the individual comes from the greatest good for the organization."

"Side-by-Side" has been the characteristic phrase used in speaking of the relationship between Jewel men and management, and this relationship was given even greater recognition in the Employee Representation Plan, made effective with its adoption by 99% of the employees in April, 1934.

WAGE EXTRAS

● A bonus of 5% of their salaries for 1934 was voted by the Board of Directors for all employees exclusive of the top executive group. Commenting on this action, President Karker said: "The payment of a 'wage extra' is an unusual thing to do, and it was done solely on the basis of the unusual accomplishment by the organization during the year." Jewel believes the best insurance of continued prosperity lies in the consideration and satisfaction of its people, and in every way has kept step with the spirit of the times in employee-manage-

Steadily Growing Payrolls. Number of Employees Shown



ment relationships. The payment of the "Wage Extras" was proclaimed by press and public as marking a new high point in industrial relations.

STOCK OWNERSHIP BY EMPLOYEES

● Three hundred and eight employees own a total of 11,427 shares of Jewel Tea Co., Inc. stock. The market value of their investments in the company on December 29, 1934 amounted to \$639,912.

EMPLOYEE BENEFITS

● Believing in the theory that the success of a company depends upon the fitness of the individuals within the organization, Jewel has established many practices beneficial to its personnel.

Since 1920, the company has carried group life insurance on all employees with one year or more of service, the amount increasing with the years of service. In 1935, \$1,234,950 insurance was carried on the lives of 1,999 Jewel persons.

Vacations with pay are awarded all employees meeting the service requirements, whose work and progress merit this consideration. 1,153 persons were accorded vacations in 1934.

In 1929 Jewel adopted a policy of employing only those who had satisfactorily passed a complete medical examination. Health is a prerequisite to happiness and personal achievement with Jewel, and its people are encouraged to remain in good physical condition at all times. In spite of adequate precautions, sick benefits are maintained for employees, and a limited number of days per year are allowed for illness. Should an employee become permanently disabled or be injured, Jewel's compensation policy is liberal.

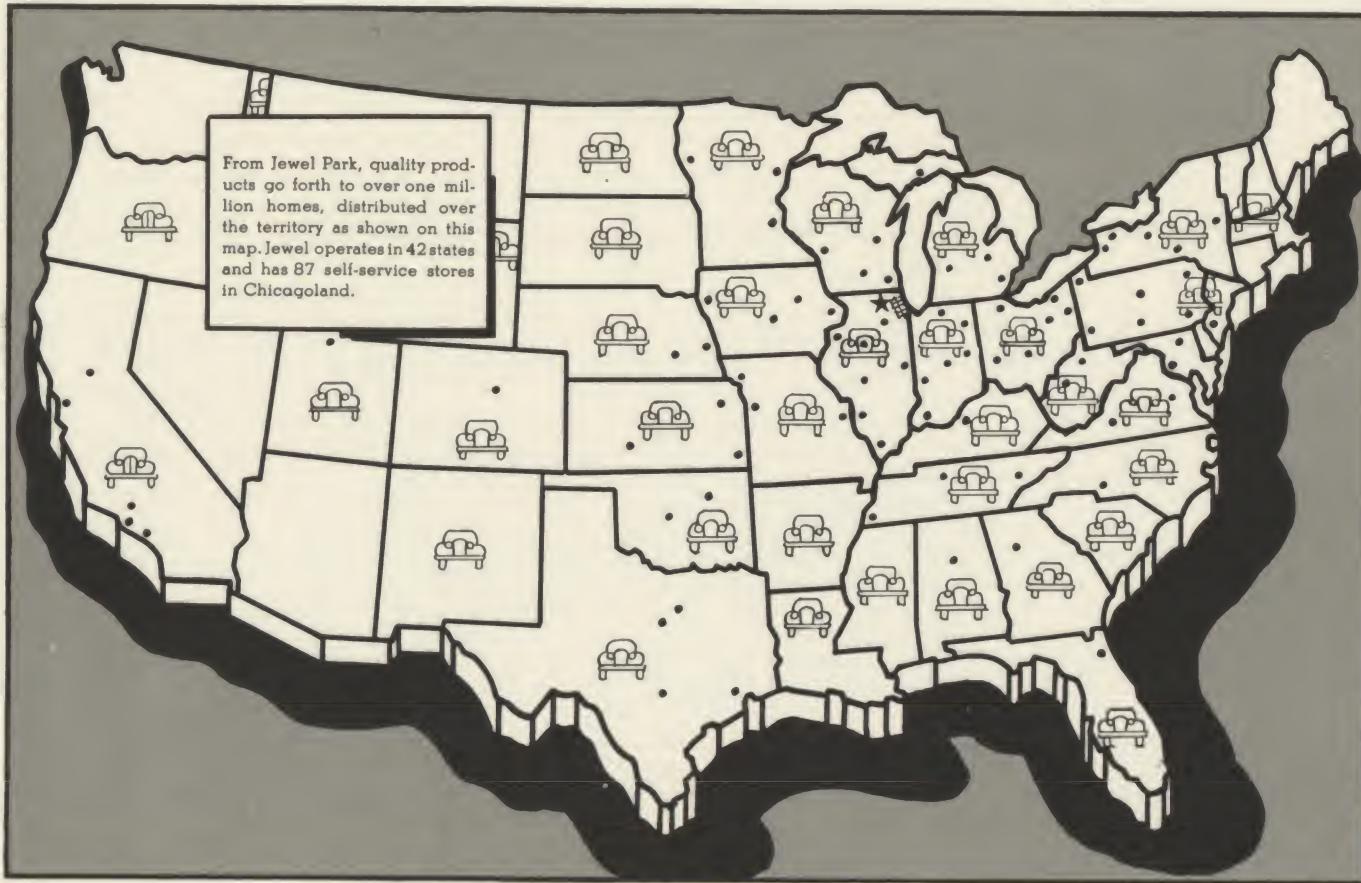
A Jewel Employees' Trust Fund has been established to encourage and aid Jewel people in the saving of a regular portion of their salary. At the end of 1934 a total of \$254,608.80 was being held in this Fund as employee savings.

WHERE JEWEL SERVES A MILLION HOMES



Home of Jewel Tea Co., Inc.,
Jewel Park, Barrington, Illinois

Jewel Cars serve a million
homes in these 42 states



87 Jewel Food Stores
located in this area

Location of
Jewel Branches



